

New VAT registration form and new registration of foreign enterprises with expatriated employees

As from 1 May 2008, foreign enterprises are required to use a new form for VAT registration. Furthermore, foreign enterprises expatriating employees to Denmark must report certain information about the enterprise and its employees to the Danish Commerce and Companies Agency.

Who is required to submit information?

All foreign enterprises delivering services in Denmark must continue to register for VAT. Additionally, all enterprises commencing the delivery of services in Denmark after 1 May 2008 are required to report information about employees expatriated in relation to a specific assignment.

Information to be reported

A foreign enterprise expatriating employees to Denmark is required to report the following information:

1. Name and business address of the registrable enterprise.
2. CVR no. or SE no. if such number has previously been allocated.
3. Date of commencement and cessation of services.
4. Place of delivery of the services.
5. Contact for the registrable enterprise in Denmark.
6. Industry code of the enterprise.
7. Identity of employees expatriated by the enterprise and the duration of each employee's expatriation.

The information will be used by the Danish authorities supervising that enterprises in Denmark comply with Danish rules and regulations.

How to report information

At www.virk.dk a form is available, which you must fill in when registering for VAT and in the event of expatriation of employees to Denmark.

A guide is also available on the website.

In the longer term, you will be given the option of reporting new information about expatriation directly on the portal: www.virk.dk

The form is available in a Danish-language and an English-language version. You must fill in, sign and submit the form to:

Erhvervs- og Selskabsstyrelsen
P. O. Box 622
DK-0900 Copenhagen C.

When to submit information

You are required to complete the VAT registration no later than eight days before the activities are commenced whereas the reporting about expatriation must be completed before or at the same time as the activities commence. Any changes to the information must be reported by the enterprise no later than eight calendar days after the change comes into force.

The new form must be used by all foreign enterprises and will replace the existing procedure for VAT registration.

Exemptions

Certain forms of short-term expatriation are exempt from the duty of registration. This is the case for expatriation occurring as part of the delivery of a technical plant or installation, and where the duration of the expatriation is a maximum of eight calendar days. However, all expatriates must be registered if the assignment is performed within the construction industry – even if the assignment involves the delivery or installation of a technical plant.

Failure to register

Failure to register the information on time is punishable by a fine. This is applicable if the enterprise does not submit the information at all, if the enterprise submits the information too late (after the assignment has commenced) or if the information is inadequate.

Contact

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